

30 JUN 1969

MEMORANDUM FOR: Director of Personnel

SUBJECT : Study of Agency One-grade Promotion Policy

1. Attached is a proposal for change in the Agency one-grade promotion policy for grades GS-05 to GS-11 for professional employees to the two-grade system (GS-05 to GS-07, GS-07 to GS-09, and GS-09 to GS-11). Also attached are extracts from the minutes of Career Council meetings of 30 April 1959 and 14 November 1960 at which the present one-grade promotion policy was established.

2. As a result of the 30 April 1959 meeting the one-grade promotion system was approved on a trial basis subject to cancellation if it turned out to be unsatisfactory. However, no mechanism was established for determining whether the system was satisfactory and on 14 November 1960 it was extended without any consideration of disadvantages or complaints.

3. It is apparent from the minutes of 30 April 1959 that the disadvantages were hardly more than mentioned and were not discussed at all. These were:

- a. Too many board meetings and too much paper work.
- b. Positions traditionally set at two-grade intervals.
- c. The recognition of two-grade intervals for positions throughout the Government.
- d. The inequity of such a system applied in the Agency only and not elsewhere, with consequent morale problems and loss of better employees.
- e. The reduction in prestige of a one-grade promotion as compared to a two-grade promotion.
- f. The difficulties of defining the GS-08 and GS-10 levels.
- g. Hoover Commission recommendation against it.

4. Mr. Kirkpatrick - at that time Executive Director-Comptroller - considered the only valid objections to be that a one-grade promotion system would increase workload and promotion board work - actually only minor procedural points.

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5. However, no one pursued the legitimate objections listed above. The discussion involved around procedural details and the limited number of vacancies and promotion opportunities. These are problems common to other agencies as well as the CIA and do not appear to be a sound basis for establishing a one-grade promotion system.

6. It appears therefore that the one-grade system was established without thoughtful consideration of all the potential problems which have increased with the years. The advantages of converting to the two-grade system seem to out-weigh the disadvantages.

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Chief, Position Management & Compensation Division

Atts

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OP/PMCD/ [REDACTED] jtw(30 June69)

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MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Study of Agency One-Grade Promotion Policy

1. This memorandum submits recommendations for your approval; these recommendations are contained in paragraph 3.

2. Over the past ten years the single grade promotion policy for grades GS-05 to GS-11 for professional employees has been frequently criticized as unfair and noncompetitive. We have made a study of this practice to determine if it is desirable to convert to the two-grade system used in other agencies, i.e. GS-05 to GS-07, GS-07 to GS-09, and GS-09 to GS-11. The results of this study indicate that it is desirable to make this change. The basis for this conclusion is covered in detail in the attached study. Personnel Officers and Administrative Officers of the Support Services, the Directorate of Intelligence, and the Directorate of Science and Technology are generally in favor of the proposed change. Officers of the Clandestine Service have not taken a position on the proposal.

3. In view of the advantages which we believe would result from conversion to the two-grade promotion system and the general agreement of Personnel and Administrative Officers I recommend that you approve:

a. The change from the one-grade to the two-grade promotion system for professional employees in grades GS-05 to GS-11, as so designated under the Agency occupational coding system.

b. The establishment of a minimum time-in-grade requirement of one year, as followed throughout the Government.

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c. If recommendation a. is approved, the authorization to approve promotions of professionals at grades GS-06, GS-08, and GS-10 to the next higher grade provided they have met the time-in-grade requirements at the next lower grade and the qualifications standards for the higher grade and are recommended by the appropriate Career Service and approved by the Director of Personnel.

d. Individuals in the CT program in grade GS-08 should be promoted to GS-09 when determined qualified and should then come under the two-grade promotion system. New CT's should be hired at GS-07, step 4, or higher professional grade, if qualified.

4. Assuming that approximately one-third of the total employees in GS-06, GS-08, and GS-10 would be eligible and qualified for immediate upgrading, the cost of this conversion would be approximately \$300,000. However, this amount would already be budgeted for and is not an actual increase in cost, but a payment in advance of the time it would otherwise be payable.

Robert S. Wattles
Director of Personnel

Att

CONCUR:

R. L. Bennerman
Deputy Director
for Support

Date

The recommendations contained in paragraph 3 are approved.

L. K. White
Executive Director-Comptroller

Date

Study of Agency One-grade Promotion Policy for Professional Employees

1. This study was made to determine the feasibility of converting from the single grade promotion system for grades GS-05 to GS-11, to the two-grade system (GS-05 to GS-07, GS-07 to GS-09, and GS-09 to GS-11), for professional employees, which is used throughout the Federal Government.

2. In the past a number of agencies have considered attempting to convert to a single grade promotion system for professional employees such as we follow but have determined that it is not practicable. These other agencies operate under different policies which require that an individual occupy a position at his own grade level. Thus to establish a single grade promotion system elsewhere, positions would have to be established at all the intermediate grades, i.e. GS-06, GS-08, and GS-10. This requirement as well as the general unpopularity of the single grade promotion system, and the opposition of the Civil Service Commission which considers it inconsistent with established principles of classification, has apparently deterred other agencies from ever establishing the system.

3. In this Agency at the time the single grade promotion system was established some ten years ago, the Office of Personnel was opposed to it. The primary objections made were that the system was not followed in other agencies, that grades 8 and 10 were held in disrepute among professional employees, and morale problems might result. However, the single grade promotion system was approved because it was believed the number of vacancies was declining and it was desirable to spread them around. No substantial slow-down in promotion rates was anticipated from GS-05 to GS-07, GS-07 to GS-09, or GS-09 to GS-11. It was expected that employees would merely advance from GS-05 to GS-06 and GS-06 to GS-07 at shorter intervals and would in fact

4. In actual fact it appears that the single grade system has resulted in a slowing down of promotions in comparison with other agencies which has put the Agency on an unfavorable competitive basis with other agencies. The system has caused criticism over many years from individuals familiar with external promotion practice. Announced Agency policy has been to equal the benefits provided by other agencies. No logical explanation for our practice has been possible. The apparent explanation is that one-grade promotions are used to prevent employees from rising as fast as in other agencies. This is the impression created in young professionals who have questioned the practice. This argument has been difficult to refute.

5. Information on time-in-grade in the Agency from GS-05 through GS-11 of employees slotted in professional positions has been tabulated in Tab 1. For comparison purposes, only the time between GS-07 and GS-11 has been used, since few professional employees are hired at GS-05 and many including Career Trainees are employed at GS-07 or higher. The average time-in-grade ranges from approximately three and one-half years for promotion from GS-07 to GS-11 for CT's to approximately eleven years for employees of the Support Services. The Agency average is approximately eight years from GS-07 to GS-11. The fastest rate of progress is in the Directorate of Science and Technology with an average of approximately five years. Information available from other agencies indicates that professional employees advance from GS-07 to GS-11 in not over five or six years on an average. However, the promotion rates of other agencies are not available in any detail since agencies are not required to produce such figures and promotion rates depend to a considerable extent on the availability of jobs at the higher levels which varies greatly from agency to agency and from time to time.

6. Discussions with Personnel Officers and Administrative Officers in the various components produced the following opinions which were shared generally by all such officials:

a. The Agency should revert to the two-grade promotion system for professional employees in grades GS-05 to GS-11 to become competitive with other Government agencies.

b. The Agency policy requiring single grade promotions is artificial and inconsistent with the rest of the Government and was only adopted to meet an Agency problem of insufficient vacancies.

c. Highly qualified applicants have been lost to other Government agencies because of inadequate promotion opportunities under the present system.

d. Promising employees have left the Agency for faster promotions in other agencies.

e. A two-grade promotion policy would improve morale by providing greater incentive in the form of a pay increase which is substantial in nature. The slow promotions from GS-05 to GS-11 provide little encouragement for young men with family responsibilities.

7. The one-grade promotion system has also, we believe, resulted in many promotions of employees who would not have been considered qualified for a two-grade jump.

8. From this review of the system it seems evident:

a. If the one-grade promotion system results in slower promotions from GS-05 to GS-11 than in other agencies, Agency policy to provide benefits equal to those of other agencies should require us to change the system.

b. If the one-grade promotion system does not result in slower promotion, there is no basis for continuing the system since it is not popular either with the employees or with Personnel Officers and Administrative Officers generally.

9. There are a number of advantages which would result from conversion to the two-grade promotion pattern. It would make the Agency more competitive with the Government generally, it would help to retain employees and it would improve morale. It would discourage promotion of employees not considered qualified for a full professional increase. It is not apparent that there are any disadvantages to adopting the system. There might be some difficulties, but these are difficulties which resulted from establishment of the single grade system and should not be considered as a reason for not reverting to the two-grade system. These difficulties are concerned with what to do about employees who are currently in intermediate grades. We consider that such employees, where fully qualified and performing at the higher level, should be promoted on the first day of the pay period following the effective date of approval of the two-grade promotion system. For hiring of Career Trainees, now brought in at GS-08, step 1, an advanced rate of the fourth step of GS-07 (approximately equivalent to GS-08, step 1) could be established.

10. The following conclusions have resulted:

a. The Agency should revert to the two-grade promotion system for professional employees in grades GS-05 to GS-11 in order to achieve competitiveness with other agencies.

b. A requirement of one year minimum time in grade should be established consistent with the practice elsewhere in order to avoid unduly rapid promotion.

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c. Personnel in grades GS-06, GS-08, and GS-10 who are occupying professional positions of a higher grade should be promoted as of the first day of the first pay period after approval of the two-grade system provided they meet qualification standards for the higher grade and are recommended by their components, and approved by the Director of Personnel.

d. Such individuals at GS-06, GS-08, and GS-10 who are occupying positions of the same or lower grade should not be promoted until qualified and determined eligible for the higher grade by the appropriate Career Service Board and approved by the Director of Personnel.

e. Individuals in the CT program in grade GS-08 should be promoted to GS-09 when determined qualified and eligible and should then come under the two-grade promotion system. New CT's should be hired at GS-07, step 4, or higher professional grade, if qualified.

11. Statistics on employees in professional positions in the affected grade categories are as follows:

	<u>Number</u>	<u>Pay Increase</u>	<u>Cost of One-Third</u>
GS-06			
GS-08			
GS-10			
Total			

Since some of the individuals slotted in these positions may not be professionally qualified and others may not yet be eligible, we estimate that approximately one-third would be entitled to immediate promotion one grade. This would cost approximately \$300,000. This is not an increase in cost but payment in advance of the time it would otherwise be payable. Further, the sum is already budgeted for at the position level. The difference in long range cost cannot easily be predicted. If the present length of time in grade

between GS-07 and GS-11 should continue, there would be a net saving since employees would no longer receive an intermediate increase in half the time between professional grades. Further, there would be some saving from not promoting individuals not considered qualified for a two grade jump. Assuming, however, that some 300 employees would progress from GS-07 to GS-11 in six years instead of eight years, the additional cost would be approximately \$40,000 per year.

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AVERAGE TIME IN GRADE
BY SERVICE DESIGNATION

Calendar Year 1968

Career Service		GS 5 to 7 <u>Mo-Days</u>	GS 7 to 9 <u>Mo-Days</u>	GS 9 to 11 <u>Mo-Days</u>	GS 7 to 11 <u>Mo-Days</u>
D	DD/P	51/13	49/13	65/02	114/15
E		42/02	30/28	29/00	59/23
EL		34/15	62/00	-	-
I		70/27	152/00	105/19	257/19
IA		62/21	34/10	25/21	59/31
IB		84/18	42/04	57/11	99/15
IC		47/03	43/10	33/15	76/25
ID		57/19	36/13	39/07	75/20
IM		83/04	42/10	52/11	94/21
IN		-	92/00	-	-
IP		45/17	28/13	30/28	59/11
IR		87/10	31/06	25/16	56/22
IT		70/09	-	20/15	20/15 *
IX		40/01	30/07	30/14	60/21
R		33/11	32/19	29/21	62/10
S		41/04	107/15	51/07	158/22
SCA		55/24	61/00	-	-
SCC		20/15	132/15	93/04	230/19
SCD		-	23/00	-	-
SCN		8/11	42/17	37/12	79/29
SCP		6/20	37/29	43/09	81/08

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<u>Career Service</u>	<u>GS</u> <u>5 to 7</u> <u>Mo-Days</u>	<u>GS</u> <u>7 to 9</u> <u>Mo-Days</u>	<u>GS</u> <u>9 to 11</u> <u>Mo-Days</u>	<u>GS</u> <u>7 to 11</u> <u>Mo-Days</u>
SCS	-	128/15	-	-
SCT	19/08	63/23	68/23	132/16
SD	-	-	23/00	23/00
SF	40/00	46/26	49/08	96/04
BJ	-	22/23	21/09	44/02
SL	56/13	49/03	66/06	115/09
SM	80/15	33/00	95/19	128/19
SP	36/01	52/12	30/24	83/06
SS	54/14	40/05	33/09	73/14
ST	55/06	114/22	100/00	214/22

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AVERAGE TIME IN GRADE
BY DIRECTORATE

Calendar Year 1968

	GS 5 to 7 <u>Mo-Days</u>	GS 7 to 9 <u>Mo-Days</u>	GS 9 to 11 <u>Mo-Days</u>	GS 7 to 11 <u>Mo-Days</u>
DCI	40/00	40/15	29/00	69/15
DDP	51/15	49/15	65/00	114/15
DDI	57/00	35/15	35/15	71/00
DDS&T	38/00	32/15	29/15	62/00
DDS	37/15	76/00	54/00	130/00
CT	-	23/00	21/00	44/00
Agency Average	45/15	56/00	40/15	96/15

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AGENCY
COMPARATIVE ANALYSIS OF COMPENSATION RECEIVED UPON PROMOTION

Period	Grades	Difference In Base Rate	Average Increase Upon Promotion	Step Increase In Former Grade	Average Time In Grade	Average Increase If Promoted Two Grades
May 1959 to May 1960	GS-7 to GS-8	\$ 490	\$324	\$150	18.6	\$771
	GS-9 to GS-10	520	285	150	23.9	772
May 1958 to May 1959	GS-7 to GS-9	1,005	761	150	19.7	---
	GS-9 to GS-11	1,045	774	150	24.6	---

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DDS
COMPARATIVE ANALYSIS OF COMPENSATION RECEIVED UPON PROMOTION*

Period	Grades	Difference In Base Rate	Average Increase Upon Promotion	Step Increase In Former Grade	Average Time In Grade	Average Increase If Promoted Two Grades
May 1959 to May 1960	GS-7 to GS-8	\$ 490	\$310	\$150	20.2	\$825
	GS-9 to GS-10	520	276	150	25.0	801
May 1958 to May 1959	GS-7 to GS-9	1,005	769	150	19.0	---
	GS-9 to GS-11	1,045	767	150	23.0	---

*SAMPLE JOB TITLES:
Investigator
Personnel Security Officer
Physical Security Officer
Security Officer
Budget Officer
Visual Information Specialist
Psychologist (Assessment)
Business Accountant
Adm Officer
Illustrator
Adm Assistant
Fiscal Accounts Assistant

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CSCS
COMPARATIVE ANALYSIS OF COMPENSATION RECEIVED UPON PROMOTION*

Period	Grades	Difference In Base Rate	Average Increase Upon Promotion	Step Increase In Former Grade	Average Time In Grade	Average Increase If Promoted Two Grades
May 1959 to May 1960	GS-7-8	\$ 490	\$340	\$150	17.9	\$676
	GS-9-10	520	272	150	27.2	667
May 1958 to May 1959	GS-7-9	1,005	738	150	26.9	---
	GS-9-11	1,045	735	150	29.6	---

***SAMPLE JOB TITLES:**
 Operations Officer
 Reports Officer
 Intelligence Analyst

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DEI
COMPARATIVE ANALYSIS OF COMPENSATION RECEIVED UPON PROMOTION*

Period	Grades	Difference In Base Rate	Average Increase Upon Promotion	Step Increase In Former Grade	Average Time In Grade	Average Increase If Promoted Two Grades
May 1959 to May 1960	GS-7 to GS-8	\$ 490	\$322	\$150	17.4	\$833
	GS-9 to GS-10	520	301	150	21.0	826
May 1958 to May 1959	GS-7 to GS-9	1,005	780	150	13.1	---
	GS-9 to GS-11	1,045	836	150	19.8	---

SAMPLE JOB TITLES:
Intelligence Officer
Photo Intelligence Officer
IO Material Economist
Intelligence Analyst
Info Specialist Foreign Broadcasting
Geographer
IO (Cartographer)
Biographic Analyst
Document Analyst

S E C R E T

**OCR
COMPARATIVE ANALYSIS OF COMPENSATION RECEIVED UPON PROMOTION***

Period	Grades	Difference In Base Rate	Average Increase Upon Promotion	Step Increase In Former Grade	Average Time In Grade	Average Increase If Promoted Two Grades
May 1959 to May 1960	GS-7 to GS-8	\$ 490	\$340	\$150	13.4	\$780
	GS-9 to GS-10	520	270	150	28.2	770
May 1958 to May 1959	GS-7 to GS-9	1,005	812	150	13.1	---
	GS-9 to GS-11	1,045	830	150	22.6	---

***SAMPLE JOB TITLES:**
 Librarian
 Biographic Analyst
 Industrial Analyst
 Graphic Analyst
 Intelligence Analyst

July 8th
File 1-51

S E C R E T

16 MAY 1960

MEMORANDUM FOR: Chief, Audit Staff
Chief, Management Staff
Chief, Medical Staff
Comptroller
General Counsel
Director of Communications
Director of Logistics
Director of Security
Director of Training

SUBJECT : Review of One-Grade Promotion Policy

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1. Notice [REDACTED] dated 15 May 1959, put into effect the policy determination of the CIA Career Council to limit promotions to one grade advancements. The major effect of this policy is to require the use of GS grades 6, 8 and 10 in the upward progression from grades 5, 7 and 9 even though the positions involved are properly classified at the next higher grades of 7, 9 and 11.
2. This policy was adopted on an experimental basis and is soon to be reviewed to decide upon its continuation, modification or cancellation.
3. The Deputy Director (Support) has requested the addressees to consider this matter with specific reference to their own experience and observations and be prepared to give their views at his Staff Meeting on 18 May 1960. To assist in your orientation to the problem, subsequent paragraphs paraphrase various points, pro and con, that were presented in Career Council discussions. In addition, pertinent statistics concerning actual promotion actions in the grades concerned, during the period 1 June 1959 through 30 April 1960, are presented in Attachment A.
 - (a) The underlying objective of the one-grade progression policy was to increase the number of promotions that could be made in the general area of grades 5 through 11 to offset an increasing loss of promotional opportunity due to the fact that the Agency is no longer expanding and has a low attrition rate. It was believed that the use of grades 6, 8 and 10 would permit more people to be promoted with shorter time in grade than would otherwise be the case during a period of stability and maturity.

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S E C R E T

SUBJECT: Review of One-Grade Promotion Policy

(b) Arguments against the policy included:

- (1) In our orderly competitive system of selection for promotion there will necessarily be a great increase in paper work and managerial attention. At the same time there will be a tendency to be less discriminating and thoughtful in carrying out the promotion function.
- (2) It will be difficult to make meaningful distinctions between the performance of individuals competing for advancement into grades 6, 7 and 10, and the significance of promotions as opposed to periodic step increases will be lost.
- (3) Since other agencies do not use grades 6, 8 and 10 in most professional fields of work, CIA will be at a psychological disadvantage in recruitment.
- (4) The morale of CIA employees in grades 6, 8 and 10 (when their actual positions are classified at 7, 9 and 11) will be adversely affected because of their "odd ball" grades.
- (5) The use of more grades with less significant classification and dollar spread is contrary to much current thought regarding compensation plans. Current thought tends to favor fewer grades of greater classification and dollar spread.

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Acting Director of Personnel

Attachment:
Promotion Figures

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SINGLE and DOUBLE GRADE PROMOTIONS

1 June 1959 thru 30 April 1960

	5-6	5-7	7-8	7-9	9-10	9-11
DDS	2		1		1	
AUDIT			5		1	
GEN COUNSEL	1					
MGMT	3					
MED	1		1		1	
COMMO	32	1	77	10	10	8
COMPT	20		7		3	
LOG	9		5		4	
PERS	5		6			
SEC	11		9		26	
TRNG	15		5	1	1	
JOIP		1	40	3	19	2
IAS	2					
DDS TOTAL	101	2	156	14	66	10
AGENCY TOTAL	355	4	356	16	243	11

ATTACHMENT A

S E C R E T